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The Regents

"I dealt in everything I could make a profit in, in the good old American way."
--Regent Edwin Pauley, 1947, Senate Subcommittee

By law, the Regents have absolute control over all aspects of the University--financing, construction, and administration. They set policy and establish procedures which direct the operation of the various campuses. The Regents are also tightly intertwined with business and other institutions which dominate this society. In fact, these connections are the Regents' only distinguishing characteristic. None of the twenty-four except Max Rafferty, whose deficiencies in the field have become legendary, are educators by profession. Instead the Regents concretely represent the link between the University as an intellectual institution and as a servomechanism of military-industrial empire; the Regents use their University to satisfy the needs of the industrial, military, and governmental interests which they represent.

This section attempts to document the types of interests represented by the Regents and to discuss the services these interests require--the research and personnel they need to function. It should become clear that the Regents are following Mr. Pauley's advice by using the resources of the University for the benefit of the corporate elite they belong to and represent.

As of December 10, 1968, the following served on the Board of Regents. The eight ex-officio members were Governor Ronald Reagan, Lt. Governor Ed. Reinecke, who replaced Robert Finch when the latter joined the Nixon administration, Speaker of the Assembly Monagan, Max Rafferty, Allan Grant of the State Board of Agriculture, Charles Hitch, President of the University, James Q. Brett, President of the Mechanics' Institute who replaced Theodore R. Meyer, and Roger C. Pettitt, President of the Alumni Association of the University. The sixteen appointed Regents, (appointed by the Governor for 16 years, date of expiration follows name) are Edwin W. Pauley (1970), Edward W. Carter (1982, Brown juggled appointments to extend Carter's tenure), William French Smith (1970, replaced Dorothy Chandler who resigned), Mrs. Randolph A. Hearst (1974), Samuel B. Mosher (1972, Mosher resigned because of ill health after this list was printed), John E. Canaday (1974), Philip L. Boyd (1972), Norton Simon (1976), William E. Forbes (1978), William M. Roth (1980), Mrs. Edward H. Heller (1976, vice-chairman), Frederick G. Dutton (1978), William K. Coblentz (1980), DeWitt A. Higgs (1982, chairman), H.R. Haldeman (1984, resigned to join Nixon administration), and W. Glenn Campbell (1984). Dean A. Watkins was appointed to finish Haldeman's term; Robert O. Reynolds replaced Mosher.

Those Regents who resigned within the last few months are included in this study since the object is to show the type of connections in the Board rather than to detail the connections at any one time. Recently the stock portfolio of the Regents was released. Most of the interesting information such as details of buying and selling shares was not released; however, investments in companies with known Regent connections have been correlated. Numbers which follow the names of particular corporations are the amounts of these investments in terms of their market value. All are common stock unless otherwise stated.

Finance

Philip Boyd and Norman Chandler (husband of Dorothy) are both directors of the Security Pacific National Bank (\$560,000) which resulted from a merger of Security First and Pacific National Banks. The bank has six subsidiaries in finance. Edward Carter is a director of Western Bancorporation (\$785,000) which owns 24 banks in 11 Western states. S.F. Hale, a director of Broadway-Hale Stores of which Carter is President, is also a director of Western Bancorporation as is John A. McCone, former director of the CIA. John Canaday is a director of First Surety Corporation (\$159,000). Otis Chandler (son of Dorothy) is a director of Union Bank. Mrs. Edward Heller and Dean Watkins are directors of the Stanford Bank. Robert Reynolds is a director of Commonwealth Assurance Company, Chubb Corporation, and of Pacific Indemnity Co. which is owned by Chubb along with nine other insurance companies including two in Belgium and Venezuela. On the Board of Pacific Indemnity with Reynolds sit P.T. Sinclair, President of Crown-Zellerbach Corporation (\$570,000) and F.M. Banks, chairman of the Southern California Gas Company which is owned by Pacific Lighting Co. (\$700,000) on which Regent William French Smith sits. Samuel Mosher's Signal Companies owns Arizona Bancorporation.

Power, Oil, Natural Gas

William French Smith is Reagan's personal lawyer. Pacific Lighting Corporation, on whose board he sits, is the largest gas system in the country with over three million active meters in homes and industry. Pacific Lighting has four subsidiaries including Southern California Gas Company (\$700,000-bonds) and Southern Counties Gas Company of California (\$250,000-bonds) which supply gas to Los Angeles, San Bernadino, Kern Riverside, Kings, Tulare, Fresno, Santa Barbara, Ventura, Imperial, Orange, and San Luis Obispo counties. They sell wholesale to San Diego Gas and Electric and the City of Long Beach. Edward Carter is a director of Southern California Edison (\$2,201,000). Samuel Mosher is chairman of Signal Companies (\$207,000). Signal has 58 subsidiaries, mostly oil companies and related industries like Mack Trucks, Inc. Signal's holdings operate in about 15 states, Europe, Latin America, Africa, and Asia. Edwin Pauley is president and chairman of Pauley Petroleum, Inc. (\$111,000-bonds).

Agribusiness

Edward Carter is a director of Del Monte Foods with nine subsidiaries in Europe, Asia, Africa, and the West Indies and Latin America, 13,000 acres of land in Latin America. Carter is also a trustee of the Irvine Foundation which owns the Irvine Ranch, which owns 20% of Orange County. Carter's partner (in Broadway-Hale), P.C. Hale, is a director of the grape-struck DiGiorgio Company which controls almost a score of food, produce, and lumber companies coast-to-coast. Robert DiGiorgio sits on Broadway-Hale. At Davis, the University is busy developing a grape-picking machine for Mr. DiGiorgio. Norton Simon is Chairman of Norton Simon, Inc. (\$2,000,000) which owns Hunt Foods and Canada Dry. Chancellor Roger Heyns is a director of Norton Simon, Inc. Norman Chandler is vice-President of the Tejon Ranch Co. which owns 293,000 acres in the San Joaquin Valley, on which cattle are raised, feed is grown, and oil is produced. Mr. Chandler is also a director of Safeway Stores. William Forbes is a director of Bell Brand Foods.

Mass Media

The Chandlers control Times-Mirror Company; Norman is Chairman, Dorothy is a Vice-President, and Otis is a Vice-President and Director. Former UCLA Chancellor Franklin Murphy is also an officer of the company. Times-Mirror has 21 subsidiaries including a feature syndicate with eighty columns, Popular Science publishing company, the Los Angeles Times, New-American Library (Mentor and Signet), several paper companies, a bookbindery, World Publishing Company (leading publisher of the Bible) and various specialty printing firms. Norton Simon Inc. owns McCall's Publishing Company which publishes McCall, Redbook, and Saturday Review and prints at its plants, Argosy, Glamor, Mademoiselle, Journal of the American Medical Association, Progressive Farmer, Newsweek, Popular Science (for Chandlers), Reader's Digest, U.S. News & World Report, and Scholastic Publications. The Hearst Corporation owns Avon Paperbacks, four radio and television stations, nine newspapers including the San Francisco Examiner, King Features Syndicate, Hearst Headline Service, Eye Magazine, Cosmopolitan Good Housekeeping, Harper's Bazaar, House Beautiful, Popular Mechanics, Town & Country, Motor, Motor Boating, Sports Afield, and Bride and Home. Otis Chandler is a director of the Associated Press.

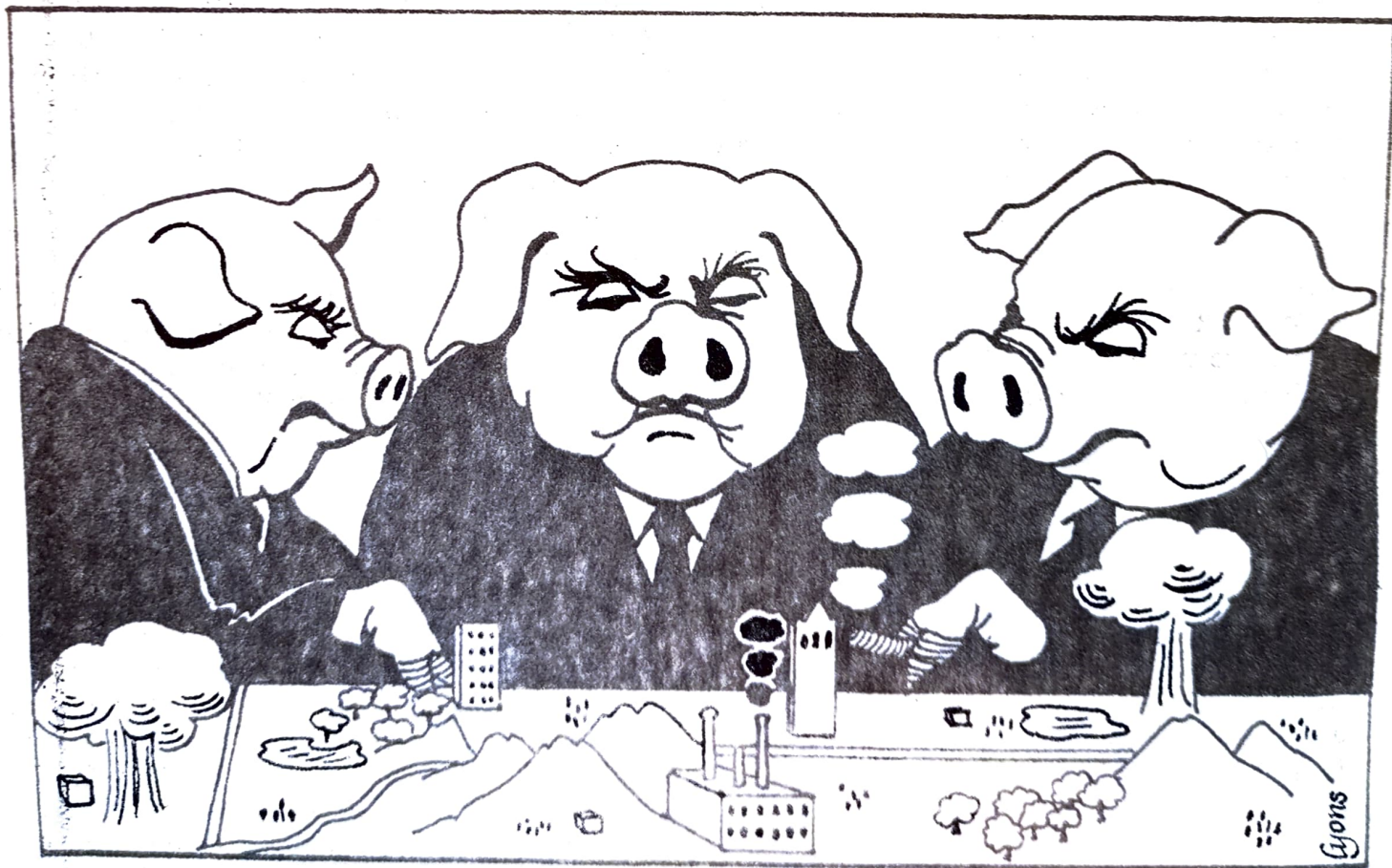
Defense

John Canaday was Vice-President of Lockheed (\$858,000) an aerospace firm with nine subsidiaries in Switzerland, Australia, Hong Kong, Germany, Canada, Panama and the Bahamas. Canaday still maintains a connection with the company. Edward Carter is a trustee of Stanford Research Institute and of the Brookings Institution. Dean Watkins is Chairman and chief executive officer of Watkins-Johnson Company in Palo Alto which owns Communications Electronics, Inc. which supplies reconnaissance, surveillance and communications equipment. On Watkins-Johnson, "Company engages mainly in the research and development of microwave electronic and solid-state devices and related electronic systems and equipment used in the field of radar, instrumentation, communications, telemetry, electromagnetic reconnaissance, and electromagnetic countermeasures. National Defense and Space exploration provide 75% of sales." (Standard and Poor's Industrials, p. 9049) Wesley Campbell is the Director of the Hoover Institution on War, Revolution, and Peace and sits on the board of the Center for Strategic Studies. Allan Grant serves on the advisory committee of the Stanford Research Institute along with several university chancellors. Charles Hitch sits on the Asia Foundation, IDA, and comes from RAND and the Defense Department.

Industry

Edward Carter is President of Broadway-Hale Stores, Inc. (\$893,000; \$300,000-bonds); Theodore Meyer is a Director. Norman Chandler sits on Kaiser Steel, Pan American World Airways (\$210,000), Atcheson Topeka and Santa Fe Railway Company (\$385,000-bonds), and Dresser Industries. Otis Chandler and Edwin Pauley are Directors of Western Airlines. DeWitt Higgs is Vice-President and Director of F.E. Young Construction Company. Robert Reynolds is a Director of Air West, the Golden West Basketball Company (California Angels), and is also President, Vice-President and Director of the Los Angeles Rams, and a member of the major league executive committee. Norton Simon used to be Chairman of Wheeling Steel and is still a Director of Crucible Steel and Northern Pacific Railroad.

The case is clear. The Regents and their associates own and operate the State of California. At many points the Regents plug into national lines of power which extend cross-country. To maintain such a system an army of personnel and a research and development program are necessary. Industry, Government, the Military, and independent research groups need managers and executives, technologists, lower-level bureaucrats, researchers and so forth. By and large these are freely supplied by Universities. In fact, a case can be made that the requirements of these institutions profoundly influence the academic requirements of the university. Businesses with foreign markets and sources of raw materials demand social, political and economic stability abroad. Here again public institutions like the University and the Government offer gratis service. Stability at home is precisely the same. In some cases, the university even performs technological research at no cost such as in the case of the grape industry. For years the University studied techniques for controlling farm workers, braceros, and agricultural production. Now that the workers are restless the University is meeting the demand with a grape-picking machine. No one is concerned with the ethical question of conflict of interest in the Board of Regents. The Regents represent a unanimity of interest which is reflected in virtually every aspect in the University.



President Hitch

President Charles J. Hitch sits on the Board of Regents and is ultimately responsible for implementing their decisions. Often he formulates those decisions; for example, it was President Hitch who suggested the final form of the resolution which denied credit to Eldridge Cleaver's Social Analysis 139X and who refused to boycott grapes. Because of his crucial role in determining and carrying out the activities of the university, it is highly relevant to ask what talents and experience Mr. Hitch brings to his position; presumably these were the reasons for his appointment.

Hitch began his career in the Office of Strategic Services (OSS) during World War II.



The OSS later married the State Department and changed its name to CIA. Hitch helped develop operations research. Next he became chief economist of the RAND corporation, a post he held for sixteen years. He specialized in the development of cost/efficiency analysis. In a RAND publication entitled "Economics and Military Operations Research," Hitch discusses the problem of sea convoys in World War II. Original studies showed that fewer merchant vessels were sunk using large convoys. Hitch shows that, in cost terms, smaller convoys would have been more economical despite the sinkings of more ships. Never, however, does he discuss which method would have saved more lives. While at RAND Hitch also wrote his most important book, Economics of Defense in the Nuclear Age, the Bible of the Pentagon, and articles such as "The Character of Research and Development in a Competitive Economy," "National Security Policy as a Field for Economic Research," and, appropriately, "The Uses

of Economics." As a result MacNamara appointed Hitch Assistant Secretary of Defense in charge of budgets and efficiency or Comptroller. The New York Times called Hitch, "The biggest spender in the capitalist world."

The overwhelming public relations campaign on the MacNamara Defense era claimed that civilians had reasserted control over the military. What actually happened was that petty inter-service rivalries which hampered the operations of Defense were eliminated partly by instituting department-wide planning as in the case of the F-111. Because of the decisions Hitch made and the "methods" he created and used, particularly his five-year plans, the United States is still saddled with a legacy of policies. Hitch and his RAND philosophy, which C. Wright Mills called the politics of irrationality, are responsible for the following:

1. A counterforce/ABM (anti-ballistic missile) strategy committing us to an endless nuclear arms race.
2. A reliance on "limited wars" like Vietnam to settle international "police" conflicts without recourse to nuclear weapons.
3. The notion that our survival depends on the speed and efficiency of our weapons. A Hitch therefore developed the idea of the program package and the program element. A Weapons System like a wing of B-52's is a program element.
4. The harnessing of the intellectual, scientific, and economic resources of universities and corporations to the Defense machine. He developed five-year package plans which insured decreased civilian control over the military because they began long-term irrevocable commitments.
5. The idea that the above techniques can be used no matter what the desired results, that is the same methods can be used to analyze and allocate resources for nuclear war, limited war, or education.

Although Hitch's book claims that economic analysis can be used to demonstrate preferences in policy and action in Defense, he had changed while in the Defense Department to the attitude of value-free "neutrality" he still parades today when buying grapes. Hitch said that with his method of systems analysis, all the systems analyst could do was to "free the decision-maker from questions which can best be resolved through analysis leaving to him those more difficult questions which can only be resolved on the basis of judgement. The systems analyst, for example, can tell the decision-maker how many targets would be destroyed if 200 new bombers were added to the planned force and how much they would cost; he can rarely demonstrate whether they should or should not be added." Such an analysis leads Hitch to oppose disarmament. "We must bear in mind that the more extensive a disarmament agreement is, the smaller force that a violator would have to hide in order to achieve domination."

Although Hitch has now left RAND and the Defense Department he is still a trustee of the Institute for Defense Analyses (IDA), according to the 1968-69 edition of Who's Who in the West. IDA is a clearinghouse for military research performed at universities. Hitch is also a trustee of the infamous Asia Foundation which the New York Times exposed as a recipient of substantial amounts of CIA funds. The Foundation was banned from operating in India and Burma in the early 1960's because of interference in the internal affairs of those countries. President Hitch is still active in Asia Foundation functions according to the society page of the Oakland Tribune.

Clearly, Hitch's knowledge and connections make him an ideal administrator for an institution which plays a large role in the performance of contracted military research and in training personnel for the military. Hitch is well suited to link the university with the nationally-oriented defense corporations on the west coast. Defense work is not limited to the physical sciences. Counter-insurgency and policed urban tranquility are increasingly concerns of "modern" social scientists. Military economist and "Defense intellectual" Charles J. Hitch is well-equipped to oversee such work. His success can be measured by the extent to which military, cost/efficiency considerations increasingly dominate the life of the university. President Hitch is a disturbingly successful man.

(Much of this material is pirated from Marcus Raskin's article in Ramparts.)

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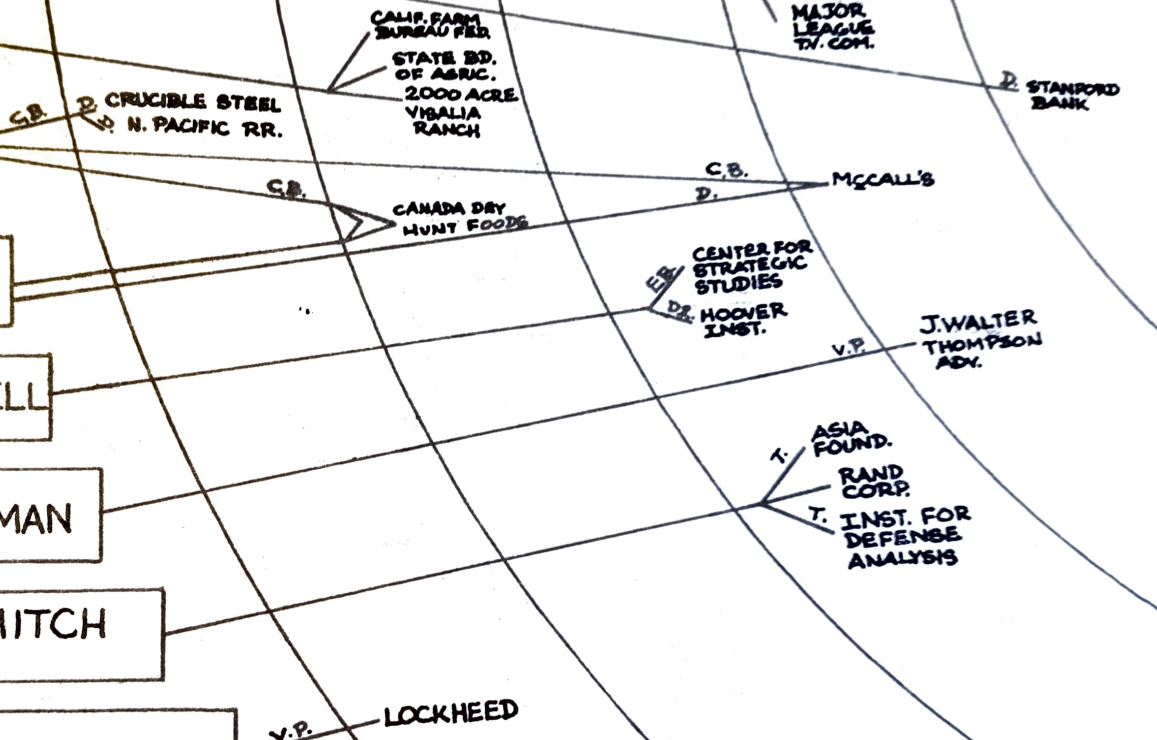
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V.P.-VICE PRESIDENT
P.-PRESIDENT
M.-MEMBER
D.R.-DIRECTOR OF
RESEARCH
E.B.-EXECUTIVE
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NOTES

1. CHANDLER, HALDEMAN, MOSHER AND MEYER HAVE RECENTLY RESIGNED HALDEMAN. NOW HAS A POSITION IN THE NIXON ADMINISTRATION.
2. VARIOUS REGENTS HOLD POSITIONS ON THE BOARDS OF THE FOLLOWING COLLEGES AND UNIVERSITIES: CLAREMONT MEN'S, LOS ANGELES STATE, REED, STANFORD.
3. MRS. EDWARD HELLER, VICE-CHAIRMAN OF THE BOARD OF REGENTS, SITS ON THE BOARD OF DIRECTORS OF STANFORD BANK ALONG WITH RECENTLY APPOINTED REGENT WATKINS.

DEWITT HIGGS

CATHERINE HEARST
(WIFE OF RANDOLPH A.)

SAMUAL B. MOSHER

THEODORE MEYER

EDWARD CARTER

WILLIAM FORBES

PHILIP BOYD

DOROTHY CHANDLER
WIFE OF NORMAN.
THEIR SON, OTIS

EDWIN PAULEY

ROB'T. REYNOLDS

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